



Airport Operations Board Meeting
Thursday October 11, 2012
Southwest Washington Regional Airport
2215 Parrott Way Kelso, WA 98626

Those present were as follows:

Operating Board:

George Raiter, Cowlitz County
David Futcher, City of Kelso
Darold Dietz, Port of Longview
Dennis Weber, City of Longview

Staff:

Dan Johnson, Airport Operations Manager
Janean Parker, City Attorney
Becky Hill, Department Assistant
Don Bell, Assistant Airport Director

1. Call to Order: Meeting was called to order at 3:15 pm by Chairman George Raiter

2. Pledge of Allegiance-None-No flag in meeting room

3. Roll Call- Members of Operating Board present are: Board Member Futcher, Chairman George Raiter; Board Member Dietz and Board Member Weber absent. Board Member at Large Norm Krehbiel excused absence.

4. Minutes-Not available

5. Proposed Regulations on Ordinance (to be adopted by Board and each entity):

City Attorney Parker-Stated the regulations are ready to go. At your last meeting you had adopted the final regulations. City of Kelso has gone forward and adopted them. She did forward those final regulations on to each of your jurisdictions and the attorneys representing those jurisdictions. Hoping the Board has seen them or are going to see them before your respective bodies. Our goal is to have those approved before the end of the year. Board Member Weber told the Board that it is on Longview's agenda for tonight's meeting. The County and the Port have looked at them as well.

There was an issue regarding co-op that the Board decided would not do as part of the regulations, but would look at as a policy matter at a later date.

Don Bell asked a question of the attorney-has a list of questions that he forwarded to the Airport Manager and he then forwarded on to the attorney as he has questions about the regulations. Only sent them out last night and only interested in some touch-up. One instance that comes to mind is a few years back an aircraft struck a runway light and we spent 4 hours repairing the light and the pilot was more than happy to pay for the repairs, but we had no way of putting charges to the repair as it was volunteer hours and used parts that were on hand. Feels there needs to be a way to charge for

various types of damage. This was probably a couple hundred dollars and just feels there should be a way to make some charges for specific repairs such as the one mentioned and others as well.

City Attorney Parker-Has just seen them now so will take a look at them and will get any comments back to Dan. As you begin implementing the regulations, you may want to start keeping a list and every so often do an update to the regulations. As we discussed last time, updates to the regulations must go to all the jurisdictions and you have to have some authority on those regulations to adopt internal policies that are consistent. Some of these questions we may be able to address or some of these issues may be addressed in a policy and have a holding bin for the other items and then re-visit on a periodic basis to amend the regulations unless it is a critical issue.

Jerry Sorrell, Advisory Board Chairman- had comments about the regulations as well and he found a few things that he would change. He sees this as a good thing to put it in the bin and if we are able to have an Airport Manager spend a little more time on this and that kind of detail that is his/hers to do, that might be the way to do it later.

6. Public Comments:

Steve Shoff-Has been a part of this airport since the winter of 1992 and have been around and worked for 6 owners at this airport. A little update because it appears that outside meddling is causing an issue that is going to force the current owner of this FBO out, because he won't be allowed to extend his contract in order to invest where he thinks he can make more money not only for the City but for the airport. He has done more for general aviation at this airport working with the FAA and working on the Master Plan. Denny Wise and Jerry Sorrell are the Master Plan movers. As far as he is concerned and to be honest and does not mean for it to be a slam to anybody but the worst friend this airport has had since that time has been the City of Kelso, because they do not apparently have the money to go the routes we need to go to keep the plan moving. So it took somebody to come from outside which was Denny and Jerry to make this movement start happening. There are some good folks here that have worked on the airport to keep it operational, but it wasn't they that caused the Mater Plan to move forward. It was Denny and Jerry. He has a real hard time understanding why after reading this memorandum that this Board would allow a co-op to effectively began and he understands that there is some illegal storage of fuels at the airport and doesn't know if the Board all have investigated this or not, but it might be something you want to look into. Feels Denny will lose so much income if they co-op and somebody else comes in with a jet or turbo prop and co-ops with them. He is going to lose money and he is not going to be able to keep this place open. Have watched this guy bust his rear end working day after day and hour after hour 24/7 to make this place work and he is being treated like the proverbial step-child.

Chairman Raiter-Not sure we are treating him bad as far professionalism. Mr. Shoff commented that those were his words. Chairman Raiter does not want to interrupt you but does want to respond.

Steve Shoff-has two questions, #1, Is the Board trying to push him out so he cannot invest? #2, there are two individuals who own aircraft at this airport and whom one of them thinks he owns the airport trying to push him out by putting pressure on the Board?

Chairman Raiter-Let me start by saying thank you very much for all the time you put in and to all the people who volunteer their time to keep this airport healthy over the years. I am not critical of the City of Kelso as it is a small city with a big burden. We are trying to move this forward. The City has frequently asked for more help because it is a regional asset, and only this past year, we have finally got an agreement and what you see is a new governing board for structure. Effective January 1, 2013, all four entities you see here representing the Port of Longview, the City of Longview, the City of Kelso and Cowlitz County, are not only making governing decisions on how to run the airport. It

will still belong to the City of Kelso for many reasons, but moving forward the Board will make operational decisions.

This co-op issue came up before and we have not made any policy decisions regarding the co-op fueling or anything. If something is happening because we can't stop it or we are not aware of it, we need to get onto that.

We did not have outside influences. These four Board Members made the decision not to continue to negotiating with the contract and not to offer an extension. Request was for a 20 year extension initially, I have never had the luxury of any contract longer than four years, we just did not feel it was viable for us and when the current contract expires we will open up and look at other options. We did inform Mr. Wise that we would not be negotiating an extension.

Board Member Weber-Feels it is also safe to say that there were no entities or owners putting pressure on us.

Chairman Raiter-We were concern that the players that Mr., Shoff mentioned would be upset with our actions.

Mr. Shoff-Guess question is based on "No it is not against the law and the FAA won't stop them from doing that ", but this Board says yes they can do that. They are not going to be buying fuel from this FBO which is Kelso's asset and it is going to go down. Does not think you are going to find a better owner than Denny Wise.

Chairman Raiter-What little I know about it is we do not have the authority to prevent people from getting fuel from a private tank. Now if they try to form a co-op that is different. Our goal is we all represent taxpayers, we all are voting for our bodies for funding of taxpayer dollars. Our goal is not to use taxpayer money (noise on tape) because someone is circumventing the rules for private gain.

Mr. Shoff-Was in no way implying that you four were susceptible to being pressured, but knows that there is going to be pressure and was just wanting to make the little peoples position known that we really believe in this FBO and Denny and we will do whatever we need to do. Going to call pilots and ask them to talk to the Board and say "Hey! Lets extend the contract". Maybe it doesn't have to be a 20 year, but it can come down a bit, but it has to be enough so that he can invest large sums of money to make this place totally capable of being what it could be. Feels this place has always been a "Diamond in the Rough" and will say right now he has watched it come up and come down to city councils from some that have cared about the airport and some who didn't, but the only movement he has seen has been with Denny and Jerry. You want this place to go, you have the best guy on the planet. He is a retired fighter pilot, he knows aviation frontwards and backwards, he loves this town and he loves this airport. Just does not understand how we can go wrong by keeping him around.

Chairman Raiter-Many factors were considered. We know there is a good pilot relationship there. We weighed all factors and that was the decision we made.

At this time Mr. Shoff ask Chairman Raiter if he was willing to reverse the decision?

Chairman Raiter-Is always willing to reverse decisions that are easy to reverse. Today feelings are highly unlikely. It is just that people want to talk and there is input, so we are always happy to listen. You listen with an open mind, but it doesn't always mean you know what the outcome is going to be. My analogy today is that I don't think there will be a change, but that doesn't mean it is impossible.

Mr. Shoff-In the 6 owners that he has worked for Bob Jones came the closest to doing something, but his Manager backstabbed him so bad that he ended up selling out. But Denny has gone the extra mile for this city and for general aviation and would be amazed if the Board lets this guy get out of here because everybody else took the money and ran. Denny wants to put it back in.

Chairman Raiter-There will be strong entity here in the future (audible) for our future candidates that are different from Denny. There will be a stronger financial base in all four entities contributing more to the airport.

Co-op was discussed. Chairman Raiter stated that we have not intentionally changed anything that is happening and we haven't agreed to any policy change and we did agree to look at the issue that is new to the Board and we need to study it thoroughly is what we agreed to do. So at this point nothing has changed.

Steve Shoff-Just wanted to bring that up because the little people out at the airport are for Denny and we will do whatever we need to do. Not trying to pressure the Board, but it is important to us that we have someone here who really cares about aviation and not just somebody who will just take the money and run.

Chairman Raiter to Mr. Shoff-You are well within your rights and very professional about it and you have the right to express your opinion.

Jerry Sorrell-The co-op is one issue that you will know in the regulations that any aircraft on the field may self service his aircraft by bringing his/her own personal vehicle with fuel tank, truck and trailer and service the aircraft with their employees, while a co-op combines businesses into one tank and one truck. If any of these businesses who are out on the field or come to the airport choose to bring their own truck and tanker, that is something you cannot stop. The Federal Regulations allow that to be done and it is a must do rather than something that can be prohibited.

City Attorney Parker-Part of it is she feels that no one has ever tried to part that out which is one of the things that we will be defining when you decide which way you are going to go.

7. Attorney Service Proposed Contract:

Chairman Raiter-Asked for an Executive Session to go over the Attorney Services Contract.

City Attorney Parker-Asked that she would volunteer to step out of that discussion. Feels she does not need or want to be involved in that conversation and is only here in case the Board needed to discuss other issues that may come up. She is happy to excuse herself and not interested in that what so ever.

8. Finance Services Proposed Contract-Asked to be moved to next meeting as no information was provided by the Finance Director at this time.

Chairman Raiter-The City of Kelso is also serving as Human Resources. Dan Johnson is a city employee. City handles his benefits, vacation, sick leave etc. Is there administrative fees for that?

City Attorney Parker-Comments on Chairman Raiter's questions. If you recall, she participated by telephone conference call where the gentleman from Pullman/Moscow Airport was present. The intent was to model what they did with personnel and I then spoke by phone to them and asked how it was done. Actually, Mr. Johnson would be an employee of the Board, but then it is processed through the city's employee structure and goes through city health and city retirement, but you are just contracting with the city for that, but it is technically the Board's employee.

Chairman Raiter-Hopefully that technically employee means that if for some reason this Board wanted to discharge that employee, would go through due processes etc, that can be done. But when it comes to training, mentoring, handling of grievance issues, inner personnel issues, vacation and sick leave, we the Board would be doing that.

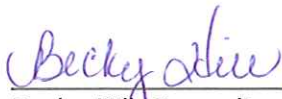
City Attorney Parker-To clean that up might make sense to have you adopt personnel policies that mirror the city's personnel policies, so that when the city is enforcing that, they are enforcing something consistent with what they are enforcing. That would be my way to address that. Will try and have that policy ready for your review at your next meeting.

9. 2013 Proposed Maintenance Plan


Discussion followed. It was asked and decided to move the money from #8 Tree Removal on Clinton Avenue northwest of the runway in the amount of \$10,000 to #3 Crack Sealing and Spraying.

Board went into Executive Session to discuss contracts.

Meeting adjourned at 4:30 pm. Next meeting November 8, 2012 at Kelso Council Chambers at 203 South Pacific at 3:00 PM



Becky Hill, Recording Secretary


George Raiter, Chairman